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EXECUTIVE COMMITTEE OF THE
HIGH COMMISSIONER'S PROGRAMME

Forty-ninth session

REPORT OF THE ELEVENTH MEETING OF THE STANDING COMMITTEE (28-29 April 1998)

I. INTRODUCTION

1. The meeting was opened by the Vice-Chairman of the Executive Committee, His Excellency, Ambassador Victor Rodrigues Cedeño (Venezuela). The Vice-Chairman informed delegations that the delegations of the Republic of Moldova, Bosnia and Herzegovina, the Syrian Arab Republic and Ukraine had requested to participate in meetings of the Standing Committee during 1998 as Observers and suggested that their participation begin immediately, in line with the Executive Committee's decision on Observer participation taken in 1997. Delegations agreed to this proposal.

II. ADOPTION OF THE AGENDA OF THE ELEVENTH MEETING AND THE REPORT OF THE TENTH MEETING

2. The Agenda (EC/48/SC/CRP.7) was adopted without revision. The draft report of the tenth meeting was adopted with one amendment. The amendment replaced reference to the acronym "PKK" in paragraph 16 of the report with "Kurdistan Workers Party".

III. DEPUTY HIGH COMMISSIONER'S STATEMENT

3. The Deputy High Commissioner then delivered an opening statement to the Standing Committee, drawing the attention of delegations to the continuing captivity of the Head of UNHCR's Office in Vladikavkaz, North Ossetia. He also informed delegations of a silent march to be held the next day in support of the abducted Mr. Vincent Cochetel, as well as in solidarity with other humanitarian workers working under dangerous conditions. Delegations were invited to join UNHCR staff in this demonstration.

IV. PROGRAMME AND FUNDING MATTERS

4. The Standing Committee had before it an *Update on Programme and Funding Projections for 1998* (EC/48/SC/CRP.11) and a *Review of General Programmes* (EC/48/SC/CRP.12).

5. The agenda item was introduced by the newly appointed Director of the Division of Operational Support. The focus of his presentation was the funding situation for General Programmes and the steps that the Office was taking to bridge the gap between needs and expected resources. The Director informed delegations that it had since become clear that UNHCR would have problems living within expected resources and that UNHCR had been looking at further budgetary reductions, not only in programmes and activities but also in administrative support costs. At this stage, the Director stated, it is not proposed to recommend a reduction in the level of the General Programmes target. As regards the funding situation for Special Programmes, the Director said that this was also preoccupying.

6. The Head of the Funding and Donor Relations Service, focused his remarks on the funding problems presently facing the Office, informing delegations that on 28 April 1998, UNHCR had received $ 337 million in contributions for 1998, fully $ 100 million less than that time last year. He named with six guiding principles on funding: the need for contributions early in the year; the importance of modest but adequate carry-overs; the necessity of stable and regular funding; the requirement of financial support for UNHCR as it reduces in size; the essential nature of priority financial support to core, statutory operations; and finally, the urgency of a review of the volume and diversity of donor reporting requirements.

7. In response to these statements, a number of Delegations expressed support for UNHCR and their understanding of the problems facing the Office and their concern that priority activities be properly managed. A number of delegations said that UNHCR's budget structure needed to be reviewed, including the distinction between General and Special Programmes. Concern was expressed at the level of funding for General Programmes. It was also felt that too many core activities were being funded under Special Programmes. A number of Governments, including one Observer (NGO) delegation, expressed concern that activities for women and children, were suffering. Several delegations called for an analysis of UNHCR's financial problems. Other delegations discussed the six points mentioned by the Head of Funding and Donor Relations. Some speakers commented on the Office's procedures for issuing appeals and took note of UNHCR's intention to issue an annual global appeal. Finally, several Governments announced new contributions, or their intention to pledge in the near future.

8. In responding to these interventions, the Secretariat noted the request for a further review of the budget structure and action, in the form of consultations, was promised. It was noted, however, that restructuring the budget was not going to solve the financial crisis.

V. SITUATION REPORTS

9. The Standing Committee had two regional reviews to consider under this agenda item: an *Update on Regional Developments in Europe* (EC/48/SC/CRP.9) and an *Update on Regional Developments in the former Yugoslavia* (EC/48/SC/CRP.10).

A. Regional developments in Europe

10. The Deputy Director of the Bureau for Europe introduced the regional review of Europe. He expressed concern about tendencies in Western Europe to focus on control measures which result in the curtailing of access to asylum procedures.

11. The Deputy Director reviewed recent developments in Central Europe and emphasized the importance of partnerships with other organizations and institutions, particularly the European Union. In the countries of the Commonwealth of Independent States, progress was notable, for example in the field of legislation, but also the process itself had moved forward understanding and helped to promote dialogue and cooperation. Partnerships with the Organization for Security and Cooperation in Europe (OSCE), the International Organization for Migration (IOM) and the Council of Europe have been very much enhanced through the process.

12. The Deputy Director also highlighted key features of UNHCR's operations in Eastern Europe, the first relating to an "integrated" approach to conflict resolution, the second concerning partnerships not only in the context of conflict resolution but also in interfacing with development agencies and the third, to redirect and reprioritize activities in many of UNHCR programmes in the countries of the Commonwealth of Independent States in the post-emergency phase.

13. Several delegations expressed their anger and concern with respect to the abduction of Mr. Cochetel, and expressed sympathy for his wife and family. This led to discussion of the security situation for staff working in the Northern Caucasus and other such regions. One delegation stated there could be "no business as usual" there until Mr. Cochetel was released. Another delegation said its Government was making every effort to resolve this situation, despite very complex circumstances in the Northern Caucasus, and expressed the hope that Mr. Cochetel would be released in the near future.

14. Despite obvious obstacles arising from the abduction to implementation of programmes in the Russian Federation, delegations made several positive comments on progress made in the implementation of the Programme of Action. Emphasis was put on the NGO sector. One delegation reported on various improvements in legislation and protection, including enabling UNHCR access to the airport. The delegation underlined their understanding that closer cooperation with NGOs was vital and said they had specific plans to further such cooperation. Another delegation supported the integrated approach taken in Crimea and appreciated the assistance received from UNHCR. An increased contribution from last year to the CIS Appeal was announced by one delegation, earmarking a portion of the contribution for the NGO Fund, and another confirmed its contribution, urging others to contribute also.

15. A comment was made that UNHCR should concentrate on promoting the well-being of those under its "core mandate" in the countries of the Commonwealth of Independent States. The Deputy Director responded by outlining progress made with respect to refugee protection in some countries in the region, but explained that wider approaches were sometimes needed in the face of the plethora of other legislative and regulatory obstacles governing both citizens and non-citizens.

16. UNHCR's presence in the region was raised with respect to successful legislative capacity-building efforts in Central and Eastern Europe. A number of delegations underlined the importance of UNHCR's cooperation with other institutions, particularly the European Union, and welcomed progress made, while at the same time calling for further efforts. Such efforts, the Deputy Director responded, were ongoing, but better results would take time.

17. Delegations welcomed UNHCR's position on Iraqi asylum-seekers, which calls for full recognition of the refugee component of their movement and their need for international protection. One delegation noted the nature of the mixed flow from Iraq and emphasized the concern for the humanitarian element in the European Union Action Plan. An Observer delegation warned Governments against the "Fortress Europe" mentality which had underpinned the European Union's Action Plan on Iraqis, and another delegation reminded participants of the values of hospitality, solidarity and subsidiarity upon which European policies have traditionally been built. One delegation reminded the meeting of its hospitality with respect to Iraqis and said it had resolved some differences with UNHCR over how to treat "illegal refugees" (those who had not registered within the five day period stipulated in the law), granting an amnesty to some 3,000 such people.

18. There was support for UNHCR's position on Algerian asylum-seekers and a plea that their asylum requests be treated generously. The position taken by several Nordic countries to include those persecuted by non-state agents within the purview of the 1951 Convention was welcomed by another delegation.

19. Several delegations requested clarification and improvement of statistics presented in the report; one or two asked for corrections or clarifications. One delegation objected strongly to comments made by UNHCR in the report that the Austrian asylum law had significant problems and maintained that the Office had read the text of the law "selectively". The same delegation also felt that hospitality toward Bosnian refugees had been underplayed. The Deputy Director promised to consult and respond on both points.

B. Regional developments in the former Yugoslavia

20. The Coordinator of UNHCR's Former Yugoslavia Liaison Unit introduced EC/48/SC/CRP.10, updating delegations on new developments and projections on future developments.

21. Delegations reiterated their full support to UNHCR and its important role to promote and facilitate returns. Respect for the fundamental right to return and the full commitment to Annex 7 of the Dayton Peace Agreement by all parties were, once again, emphasized, including security and freedom of movement, as well as employment opportunities. One Observer (NGO) appealed for increased support to their activities in the area.

22. It was indicated that the new leadership in the Republika Srpska gave hope for increased minority returns to that Entity and that it will be watched closely by the international community. The Coordinator stated, however, that despite these positive developments, minority returns remain limited. Delegations welcomed the promotion of minority returns as a priority for UNHCR in 1998. There was general agreement with UNHCR for a regional approach to returns as well as the linkage between repatriation and return, and rehabilitation and reconstruction. The Regional Return Conference in Banja Luka on 28 April was highlighted as an illustration that solutions are inter-linked.

23. The recent incidents in Derventa and Drvar led a few delegations to urge caution in future in regard to minority returns. However, most delegations, while condemning these incidents as unacceptable, recommended that they should not constitute a set-back in the overall positive developments.

24. Full support to the Open Cities initiative was reiterated and described as an essential tool for returns and to ensure a multicultural society. Two delegations underlined the importance of conditionality and giving preference to communities that genuinely accept multi-ethnicity. It was hoped that other municipalities, in particular larger cities such as Sarajevo, Banja Luka and Mostar, will soon join the Open Cities programme. The work of the Commission for Real Property Claims of Displaced Persons and Refugees and the need to make progress on demining were highlighted as being important elements to the return process.

25. Many delegations urged the Government of Croatia to cooperate and to adopt a more constructive attitude towards a multi-ethnic society. It was reiterated that the international community expects the Government of Croatia to take full responsibility for the unconditional return of all refugees and displaced persons who wish to return, regardless of their ethnicity, as well as for the creation of a safe environment for those ethnic Serbs who wish to stay.

26. Several delegations found it disturbing that most of the Croatian Serb refugees in the Federal Republic of Yugoslavia and in Bosnia and Herzegovina cannot return to Croatia because of bureaucratic obstacles and an unfavourable attitude. A number of delegations described the continuing outflow of Croatian Serbs from the Croatian Danubian region as a source of concern.

27. Some delegations also expressed concern about the growing tension and displacements in Kosovo, as well as the first displacements of Kosovo Albanians across the border, into Albania. UNHCR's appeal of 9 March 1998 not to return rejected asylum-seekers from Kosovo for the time being, was generally supported and followed. Delegates called for dialogue between the parties involved.

VI. PROTECTION/PROGRAMME POLICY ISSUES

28. This agenda item and its related documentation (EC/48/SC/CRP.15 and EC/48/SC/CRP.16) was introduced by the Director of the Division of Operational Support, referring to earlier discussions of the Standing Committee on reintegration challenges. The Director, in his opening remarks, announced the possibility to organize an informal meeting with the Members of the Standing Committee later in the year on the more technical aspects of reintegration and self-reliance.

29. A number of delegations expressed their keen interest in discussing policy, as well as the operational aspects of reintegration at the proposed informal meeting.

30. Generally supportive of UNHCR's catalytic role in reintegration operations, a number of delegations called for an enhanced operational cooperation with other United Nations agencies, especially the Office for the Coordination of Humanitarian Affairs (OCHA). An elaboration on UNHCR's views on the possibilities for coordination with a country's UNDAF (United Nations

Development Assistance Framework) was also requested by some delegations. Disappointment was expressed by some delegations that the documentation provided to the Standing Committee did not set out clear parameters or a policy for UNHCR's involvement in reintegration activities. The view was expressed that consultations (based on a concise discussion paper) should address this issue, with an aim to adopt a decision in the very near future, preferably at the next session of the Standing Committee. This would form the basis for an action plan, comprising, *inter alia*, operational guidelines. One delegation expressed disagreement with this time frame. Several delegations linked the role of UNHCR in reintegration operations to the current financial situation of the Organization and went on to suggest that the comprehensive policy document soon to be drafted take into consideration the financial situation of UNHCR. Several delegations felt that the issues as such should be addressed, leaving aside the consideration of resource questions.

31. Considerable attention was also given by a number of delegations to the close links that should be established between UNHCR and the United Nations High Commissioner for Human Rights (UNHCHR) in the monitoring of the situation in the country of origin after the voluntary repatriation of refugees.

32. Regarding phase out strategies, several delegations underlined the importance for UNHCR to take into consideration the current financial constraints, while others called for strategies that are based on operational considerations rather than on predetermined dates and financial resources. The point was also raised that coordination should be sought not only with international development actors, but first and foremost with the relevant local communities, NGOs and Governments, the last having the primary responsibility for a sustainable reintegration process. The need to strengthen the UNHCR operational capacity for planning and training of partners in the field of reintegration was also stressed.

33. In response to the interventions, the Director commented that UNHCR's primary concern in reintegration activities revolved around its mandate. The Director called for an earlier involvement of development actors to "meet" UNHCR in the humanitarian space between relief and development. He went on to inform the Standing Committee that an "Operational Framework for UNHCR intervention in Repatriation/Reintegration" was under preparation within the Division, focusing precisely on enhanced cooperation with other actors in the reintegration process. The envisaged consultations on fundamental questions and technical aspects would allow input into this document. The Senior Economist/Planner (Reintegration and Self-Reliance Unit), briefly addressed the more technical issues raised by the delegates.

VII. COORDINATION ISSUES

34. The Head of UNHCR's Inter-Organization Affairs and Secretariat Service (IOASS) introduced the conference room paper on the *Follow-up to the Secretary-General's United Nations Reform Proposals and related ECOSOC Decisions* (EC/48/SC/CRP.15). Following this introduction, the Deputy to the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator provided delegations with an update on the ongoing restructuring process within the Office for the Coordination of Humanitarian Affairs and the efforts to strengthen emergency relief coordination efforts within United Nations system.

35. One delegation requested clarification on the role of the United Nations Development Assistance Framework (UNDAF) as compared to the "Strategic Framework". Another delegation enquired as to UNHCR's role with respect to the UNDAF. UNHCR's views on the Guiding Principles on Internal Displacement, prepared under the direction of the Representative of the Secretary-General on internally displaced persons, were called for. In addition, the need for a further elaboration on field coordination options, as stated in the conference room paper (paragraph 16), was questioned by a delegation, stating that the current three options were clearly defined. With regard to the safety of humanitarian staff, one delegation expressed the hope that training and the establishment of field coordination units would enhance the safety of staff.

36. In response to delegations, the Head of IOASS provided further clarification on the UNDAF, stating that the UNHCR protection mandate, however, would not be included within the purview of this coordination mechanism. The Deputy to the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator informed delegations that the translation of guiding principles on internally displaced persons into operational guidelines was currently being undertaken as a priority, but that the protection of internally displaced persons remained an issue that needed to be further addressed.

VIII. OVERSIGHT ISSUES

37. The Standing Committee had before it a document entitled *Oversight Issues: Consultants* (EC/48/SC/CRP.14). The Director of UNHCR's Division of Human Resources Management introduced the item.

38. In their interventions, a number of delegations noted that the proportion of women hired as consultants in 1996 and 1997 was 35 per cent, the same proportion as among UNHCR professional staff, and recommended more efforts to attain gender balance. Several delegations remarked on the statistics provided in paragraph 25 and in annex 3 to the conference room paper, noting that only one third of consultants come from developing countries. They urged that broader geographical representation be aimed for, especially since the majority of UNHCR's programmes are in developing countries affected by refugees/returnees.

39. The delegations touched on the issue of the consultant selection process, the use of rosters and the publication of, and/or access to, information about available consultancies in order to ensure an open, fair, equitable and competitive process. Delegations also asked to know the annual budget for consultants. Three delegations raised the issue of UNHCR's use of consultants as compared with the skills available amongst its staff. Acknowledging that consultants are hired for relatively short periods and that there is no continuing need for their services, these delegations felt that UNHCR (especially in the light of staff reductions) should build the capacity of existing staff to take on the functions performed by consultants, for example in the area of external relations (reference to paragraph 12 of EC/48/SC/CRP.14). One delegation asked specifically how and for what purpose consultants were graded. Another delegation asked what action had been taken in response to the external auditors' questions. Specifically, this was in reference to the issuance of more up-to-date instructions and guidelines related to the use of consultants.

40. The Director responded to delegations questions and comments, stating that UNHCR is continually striving to broaden the selection base and rosters are extensively used in the search for technical consultants particularly those with a proven track record.

41. Decentralization of the responsibility for administering consultants to the technical line departments was highlighted as a way to ensure that existing rosters of qualified proven consultants in those departments will be continued, as well as a central computerized roster. The need to continue to try to attain gender balance and a wider geographic balance was acknowledged.

42. The annual cost of consultancies internationally contracted in 1996 was reported as $ 1.9 million and in 1997 $ 1.8 million. These figures exclude local consultants engaged under operational projects.

IX. GOVERNANCE ISSUES

43. The Standing Committee reviewed two issues under this item: preliminary consideration of the Annual Theme for the forty-ninth session of the Executive Committee and a review of Executive Committee working methods.

44. In introducing discussions on the preliminary consideration of the annual theme, the Chairman called on the Secretary to inform delegations of suggested topics for the annual theme, including those sent by delegations to the Secretariat. The Secretary informed delegations that interest had been expressed for looking into "international solidarity and burden-sharing", "UNHCR's reintegration assistance", or "international cooperation from the point of view of lessons learned from comprehensive or regional approaches to the refugee problem".

45. Several delegations voiced support for the proposed theme of "international solidarity and burden-sharing". One delegation suggested that "reintegration assistance" be adopted as the annual theme. Another delegation suggested "international cooperation, lessons learned from comprehensive and regional approaches", but stated that further consultations on this suggestion would be undertaken before final consideration of the topic at the June meeting of the Standing Committee.

46. The Chairman then turned delegations' attention to the issue of Executive Committee working methods, referring to the last plenary session of the Executive Committee, where it was agreed to review the working methods in the course of 1998. The intention of this review, he pointed out, was to fine tune and enhance guidelines currently in place. He highlighted four areas which he suggested might merit from such a review: the process of drafting decisions and conclusions for the Executive Committee; the process for determining the programme of work, aiming at efforts to rationalize the large volume of documentation that is presented to delegations; a review of reporting on programmes and their implementation; and the relevant impact of documentation. The Chairman suggested that consultations could be held to examine this issue further.

47. In their interventions on this issue, two delegations stated that the current working methods posed no significant problems to the proper functioning of the Executive Committee. Other delegations supported the Chairman's suggestion for further consultations on this issue, highlighting areas where improvements could be examined, in line with the Chairman's proposals.

X. MANAGEMENT, FINANCIAL AND HUMAN RESOURCES MATTERS

48. Under this agenda item, the Standing Committee had before it three conference room papers: *Overhead Costs of International NGO implementing Partners* (EC/48/SC/CRP.18) and a related decision; *Staff Training in UNHCR: An Update on Recent Developments* (EC/48/SC/CRP.19); and an *Update on the Change Management Process* (EC/48/SC/CRP.17). In addition a *Information Note on Income and Expenditure for the Year 1997* (EC/48/SC/CRP.20), was before the Standing Committee for consideration. The Directors of the Division of Operational Support and the Division of Human Resource Management provided introductions to the items.

49. Due to time constraints, the Chairman proposed that unless delegations had significant interventions to make, the draft decision attached to EC/48/SC/CRP.18 be adopted by the Standing Committee. One delegation agreed that the decision should be adopted without debate but stated that a written statement had been prepared for this agenda item which should be reflected in the report of the meeting. This statement drew attention to the need for UNHCR to ensure that established policy is implemented in a consistent fashion and the need for some clarification of the concept of "large scale local procurement" as one element to be taken into consideration when determining the level of reimbursement of overhead costs. Furthermore, the nature of the required contribution from NGOs to the related UNHCR programme was another issue raised in this statement which needs further clarification.

50. One Observer (NGO) stated that the NGO community broadly endorsed both the conclusions reached by UNHCR on the difficulties experienced in implementing the policy on NGO headquarters support costs and the recommendation in the conference room paper that UNHCR maintain its current policy in this regard. He called for the establishment of a joint NGO/UNHCR working group to further clarify the policy so that differences in its interpretation could be overcome before 1999 project agreements are negotiated.

51. The Standing Committee adopted the draft decision attached to EC/48/SC/CRP.18 (annex).

XI. ANY OTHER BUSINESS

52. There being no further business, the Chairman closed the meeting.

DECISION ADOPTED BY THE ELEVENTH STANDING COMMITTEE

OVERHEAD COSTS OF INTERNATIONAL NGO PARTNERS

The Standing Committee,

Recalling its decision taken at the second meeting of the Standing Committee (10-11 April 1996) on the subject of overhead costs of NGO implementing partners (EC/46/SC/CRP.27) in which it was decided that UNHCR should, subject to certain conditions, participate in bearing headquarters support costs of international NGOs;

Recalling further the decision taken by the Standing Committee at its third meeting (25-27 June 1996) that the basis for such participation would be 5 per cent of project costs funded by UNHCR (EC/46/SC/CRP.42 para. 61);

(a) Decides that UNHCR shall continue to participate in bearing headquarters support costs of international NGOs;

(b) Decides that the current, standard percentage of 5 per cent shall be maintained for the next two years and reviewed again during the first half of 2000.